

## Message Text

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ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 IOE-00 OIC-02 AF-06 ARA-10 EA-10

NEA-09 EB-07 AID-05 COME-00 LAB-04 TRSE-00 CIAE-00

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FM AMEMBASSY VIENNA

TO SECSTATE WASHDC IMMEDIATE 4937

INFO USMISSION USUN NEW YORK

UNCLAS SECTION 1 OF 2 VIENNA 1727

E.O. 11652: N/A

TAGS: UNIDO OCON

SUBJECT: UNIDO - LIMA CONFERENCE: INSTITUTIONAL

ARRANGEMENTS

REF: VIENNA 1625

1. FOLLOWING IS TEXT OF SECTION E OF ALGIERS  
DECLARATION AND PLAN OF ACTION CONCERNING INSTITUTIONAL  
ARRANGEMENTS. DURING GROUP B/G-77 MEETING FEB. 26  
REPORTED SEPTTEL ALGERIAN REP CHARACTERIZED THIS  
SECTION OF G-77 DRAFT AS HAVING UNDERGONE GREATEST  
CHANGE SINCE DECEMBER - PRESUMABLY A REFERENCE TO  
DECISION TO TO THE SPECIALIZED AGENCY ROUTE FOR UNIDO.  
AS REPORTED PARA 4 REFTTEL G-77 WILL ALSO PRESUMABLY  
SUBMIT AT LIMA DRAFT RESOLUTION ON INSTITUTIONAL  
ARRANGEMENTS WHICH WILL ATTEMPT SPELL OUT MORE  
PRECISELY STEPS INTENDED TO LEAD TO ESTABLISHMENT  
OF UNIDO AS INDEPENDENT AGENCY AND ACTIONS TO BE  
TAKEN INSTITUTIONALLY DURING INTERVENING PERIOD.

2. BEGIN TEXT (UNNECESSARY WORDS OMITTED):

SECTION E. INSTITUTIONAL ARRANGEMENTS.

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(1) GENERAL.

NEW REPARTITION OF INDUSTRIAL ACTIVITIES  
ENVISAGED IN NEW INTERNATIONAL ECONOMIC ORDER MUST MAKE  
IT POSSIBLE FOR ALL DEVELOPING COUNTRIES TO INDUSTRIALIZE  
THEMSELVES AND ACQUIRE AN EFFICIENT INTERNATIONAL  
MACHINERY.

INDISTRIALIZATION MUST BE PURSUED IN PERSPECTIVE  
OF A GLOBAL AND HARMONIOUS DEVELOPMENT OF COUNTRIES  
CONSTITUTING THE INTERNATIONAL COMMUNITY.

REPORT OF THE AD HOC COMMITTEE ON LONG-RANGE  
STRATEGY OF UNIDO AND RESOLUTION OF THE SIXTH SPECIAL  
GA AND THE PRESENT DECLARATION AND PLAN OF ACTION SHALL  
FORM THE BASIS GOVERNING THE ROLE AND ACTIVITIES OF UNIDO.

UNIDO SHOULD PLAY THE CENTRAL ROLE IN IMPLEMENTATION  
OF DECLARATION AND PLAN OF ACTION, BY INITIATING AND  
COORDINATING ACTIVITIES WITHIN THE UN SYSTEM AIMED  
AT ACHIEVING THE OBJECTIVES CONTAINED THEREIN. FURTHER,  
UNIDO HAS A CRUCIAL ROLE IN THE IMPLEMENTATION OF THE  
DECLARATION AND PROGRAM OF ACTION ON THE ESTABLISHMENT  
OF A NEW INTERNATIONAL ECONOMIC ORDER, ADOPTED AT THE  
SIXTH SPECIAL GA, IN SO FAR AS THEY RELATE TO  
INDUSTRIAL DEVELOPMENT. TO THIS END, THE SCOPE AND  
FUNCTIONS OF UNIDO NEED TO BE EXTENDED AND ITS  
ORGANIZATIONAL MACHINERY STRENGTHENED.

IN ORDER THAT IT MAY INTENSIFY AND EXTEND ITS  
ACTIVITIES IN MANNER INDICATED ABOVE, AND THAT UNIDO  
IS ENABLED TO PLAY THE CENTRAL COORDINATING ROLE IN  
THE FIELD OF INDUSTRIAL DEVELOPMENT WITHIN THE UN  
SYSTEM, IT IS ESSENTIAL THAT UNIDO'S AUTONOMY, FUNCTIONS  
AND RESOURCES SHOULD BE INCREASED AND EXPANDED  
SUBSTANTIALLY.

FOR THIS PURPOSE, IT IS RECOMMENDED TO GA  
THAT UNIDO SHOULD BE CONVERTED INTO A SPECIALIZED  
AGENCY. IT IS ALSO RECOMMENDED THAT THE SYG AND/OR  
A GROUP OF EXPERTS APPOINTED BY UNIDO BE REQUESTED TO  
PREPARE A CONCRETE SCHEME TO GIVE EFFECT TO THE ABOVE  
RECOMMENDATION FOR SUBMISSION TO THE GENERAL ASSEMBLY  
OF THE UNITED NATIONS AT ITS THIRTY-FIRST SESSION.

IN THE MEANTIME, AND SINCE THIS WILL TAKE SOME  
TIME, THE FOLLOWING RECOMMENDATIONS ARE MADE:

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(2) FUNCTIONS OF UNIDO.

IN ORDER TO ATTAIN ABOVE OBJECTIVES, UNIDO SHOULD  
NOT ONLY INTENSIFY AND EXPAND ITS PRESENT OPERATIONAL  
ACTIVITIES AND ACTION-ORIENTED STUDIES AND RESEARCH  
PROGRAMS IN THE FIELD OF INDUSTRIAL DEVELOPMENT BUT  
SHOULD EXTEND ITS ACTIVITIES TO INCLUDE ESTABLISHMENT  
OF A SYSTEM OF CONTINUING CONSULTATIONS AT GLOBAL,  
REGIONAL AND SECTORAL LEVELS WITH A VIEW TO IMPLEMENTING

THE AGREED OBJECTIVES DESIGNED TO BRING ABOUT A NEW STRUCTURE FOR WORLD INDUSTRY. IT SHOULD ALSO FUNCTION AS A FORUM FOR NEGOTIATION OF AGREEMENTS IN THE FIELD OF INDUSTRY BETWEEN DEVELOPED AND DEVELOPING COUNTRIES AND BETWEEN DEVELOPING COUNTRIES THEMSELVES.

IN ORDER TO GIVE CONCRETE CONTENT TO THE PROCESS OF INDUSTRIALIZATION IN THE DEVELOPING COUNTRIES, IT IS NECESSARY TO UNDERTAKE STUDIES AND FORMULATE SPECIFIC MEASURES IN DIFFERENT SECTORS OF INDUSTRY, GIVING SPECIAL ATTENTION TO PRIORITY SECTORS. SUCH AN APPROACH NEEDS TO BE REFLECTED IN THE ORGANIZATIONAL STRUCTURE OF THE UNIDO SECRETARIAT, IN THE COMMITTEES OF THE IDB WHICH SHOULD BE ESTABLISHED FOR THE PURPOSE, AND IN THE REVIEW AT MINISTERIAL LEVEL IN THE GENERAL CONFERENCE TO BE ESTABLISHED ON A PERMANENT BASIS.

(3) BUDGET.

THE PROGRAM BUDGET OF UNIDO SHOULD BE PREPARED BY THE EXECUTIVE DIRECTOR, SUBMITTED TO THE IDB FOR ITS EXAMINATION AND APPROVAL, THEN TRANSMITTED TO THE SYG FOR PRESENTATION WITH HIS COMMENTS TO THE APPROPRIATE ORGANS OF THE GA IN ACCORDANCE WITH GA RESOLUTION 2152 (XXI).

(4) FINANCIAL AND ADMINISTRATIVE AUTONOMY.

UNIDO SHOULD HAVE GREATER AUTONOMY IN THE ALLOCATION OF RESOURCES, INCLUDING THE APPOINTMENT AND PROMOTION OF ITS STAFF MEMBERS AND EXPERTS EFFECTED ON THE BASIS OF EQUITABLE GEOGRAPHICAL DISTRIBUTION. UNIDO SHOULD ALSO HAVE GREATER AUTONOMY IN THE PUBLICATION OF ITS DOCUMENTS.

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(5) GENERAL CONFERENCE.

IN VIEW OF THE URGENT NEED FOR PERIODIC GLOBAL CONSULTATIONS AT A HIGH LEVEL ON INTERNATIONAL COOPERATION FOR THE INDUSTRIAL DEVELOPMENT OF DEVELOPING COUNTRIES AND OTHER ASPECTS OF WORLD INDUSTRY, THE GENERAL CONFERENCE OF UNIDO SHOULD BE INSTITUTIONALIZED. THE GENERAL CONFERENCE SHOULD BE CONVENED EVERY THREE/FOUR YEARS, AND EACH SESSION OF THE CONFERENCE SHOULD DECIDE ON THE DATE AND VENUE OF THE NEXT SESSION.

THE FUNCTIONS OF THE GENERAL CONFERENCE SHOULD BE, INTER ALIA:

- (I) REVIEW PROGRESS IN THE IMPLEMENTATION OF THE PRESENT DECLARATION AND PLAN OF ACTION;
- (II) EXAMINE WAYS AND MEANS OF INCREASING THE

SHARE OF INDUSTRIAL OUTPUT OF THE DEVELOPING

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COUNTRIES IN THE WORLD INDUSTRIAL OUTPUT;

(III) RECOMMEND POLICIES AND PROCEDURES  
TO MEMBER GOVERNMENTS TO FACILITATE COOPERATION  
AMONG NATIONS FOR THE BENEFIT OF THE DEVELOPING  
COUNTRIES;

(IV) SERVE AS A COORDINATING MACHINISM TO  
PROVIDE OVERALL INTEGRATED AND CONTINUING ATTENTION  
FOR THE SUCCESSFUL COORDINATION AND FOLLOW-UP OF  
POLICIES CONCERNING INDUSTRIAL PRODUCTION, INDUSTRIAL  
COOPERATION AMONG DEVELOPING COUNTRIES AND OTHER  
RELATED MATTERS BY ALL THE AGENCIES OF THE UN FAMILY;

(V) REVIEW OF MAJOR PROBLEMS AND POLICY ISSUES  
AFFECTING THE WORLD INDUSTRIAL SITUATION AND THE  
STEPS BEING PROPOSED TO RESOLVE THEM BY GOVERNMENTS,  
UNIDO, THE REGIONAL ECONOMIC COMMISSIONS, ETC...;

(VI) RECEIVE REPORTS, MAINTAIN CONTACTS  
CONCERNING THE ABOVE FUNCTIONS THROUGH UNIDIO SECRETARIAT;

(VII) REVIEW THE EFFECTIVENESS OF THE  
INSTITUTIONAL ARRANGEMENTS OF UNIDO AND TAKE  
APPROPRIATE DECISIONS ON FURTHER STRENGTHENING THE  
INSTITUTIONAL MACHINERY.

(6) INDUSTRIAL DEVELOPMENT BOARD.

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(I) FUNCTIONS. IN ADDITION TO THE FUNCTIONS STIPULATED IN GA RESOLUTION 2152 (XXI), THE IDB SHOULD PURSUE THE IMPLEMENTATION OF THE DECISIONS OF THE GENERAL CONFERENCE AND EXAMINE AND APPROVE THE PROGRAM AND BUDGET OF UNIDO.

(II) MEMBERSHIP. THE REPRESENTATION OF THE DEVELOPING COUNTRIES ON THE IDB SHOULD BE INCREASED FROM 25 TO 40, SO THAT THE TOTAL MEMBERSHIP OF THE IDB WILL BE 60, IN ORDER TO HAVE A RATIO OF 2 TO 1 INSTEAD OF 5 TO 4 AS AT PRESENT.

(III) SUBSIDIARY ORGANS, TO ASSIST THE BOARD IN THE EXAMINATION OF THE BIENNIAL PROGRAM AND BUDGET OF UNIDO AND OTHER FINANCIAL MATTERS PERTAINING TO UNIDO, A PROGRAM AND BUDGET COMMITTEE SHOULD BE ESTABLISHED. OTHER TECHNICAL COMMITTEES MAY BE ESTABLISHED BY THE BOARD AS IT CONSIDERS APPROPRIATE.

(7) SECRETARIAT.

THE NUMBER OF OFFICIALS FROM DEVELOPING COUNTRIES IN THE SECRETARIAT OF UNIDO AT THE EXECUTIVE LEVEL AND IN THE PANELS OF CONSULTANTS WHO ADVISE THE SECRETARIAT SHOULD BE INCREASED. THE IDB SHOULD KEEP UNDER CONTINUING REVIEW THE STAFFING PATTERN OF UNIDO BOTH AT HEADQUARTERS AND IN THE FIELD, AS WELL AS IN PANELS OF CONSULTANTS WITH A VIEW, INTER ALIA, TO ENSURING JUST AND EQUITABLE GEOGRAPHICAL DISTRIBUTION OF POSTS.

(8) INDUSTRIAL DEVELOPMENT FUND.

THE ESTABLISHMENT OF THE IDB IS CRUCIAL TO BOTH INCREASING THE RESOURCES OF UNIDO AND ENHANCING ITS AUTONOMY AND ABILITY TO RESPOND PROMPTLY AND FLEXIBLY TO THE DEMANDS OF DEVELOPING COUNTRIES. THE FUND SHOULD BE ADMINISTERED IN SUCH A WAY THAT IT CAN ALSO SERVICE SEVERAL AREAS OF INDUSTRIAL DEVELOPMENT ASSISTANCE NOT ALREADY COVERED BY THE TRADITIONAL CONCEPTS OF TECHNICAL ASSISTANCE FOLLOWED BY UNDP. WHILE TAKING A DECISION OT ESTABLISH THE FUND, HOWEVER, IT IS NECESSARY TO SEEK THE FULL COOPERATION OF ALL COUNTRIES, BOTH INDUSTRIALIZED AND DEVELOPING, IN

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ENSURING THAT THE FUND RECEIVES AN ADEQUATE LEVEL OF RESOURCES IN ORDER TO ACHIEVE ITS OBJECTIVES.

IN PARTICULAR THE IDF WILL BE USED TO COVER, AMONG OTHERS, THE FOLLOWING FUNCTIONS:

(I) ENABLE UNIDO TO PARTICIPATE IN THE IMPLEMENTATION OF THE PROGRAM OF ACTION FOR THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER;

(II) ENABLE UNIDO TO IMPLEMENT THE RECOMMENDATION OF THE AD HOC COMMITTEE ON LONG-RANGE STRATEGY OF UNIDO;

(III) ENABLE UNIDO TO IMPLEMENT FIELD PROJECTS, PARTICULARLY THOSE OF A NON-TRADITIONAL NATURE WITH SPECIAL ATTENTION TO THE NEEDS OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES AND LAND-LOCKED DEVELOPING COUNTRIES;

(IV) ENABLE UNIDO TO INTENSIFY ITS ACTIVITIES IN THE DEVELOPMENT AND TRANSFER OF TECHNOLOGY;

(V) ENABLE UNIDO TO INTENSIFY ITS PROGRAMS AIMED AT ESTABLISHING AND/OR INTENSIFYING COOPERATION AMONG DEVELOPING COUNTRIES AND BETWEEN DEVELOPING AND DEVELOPED COUNTRIES.

(VI) ENABLE UNIDO TO STRENGTHEN ITS PROMOTIONAL ACTIVITIES AND TO FACILITATE THE PROVISION OF CAPITAL AID TO DEVELOPING COUNTRIES IN CONFORMITY WITH THEIR DEVELOPMENT NEEDS.

(9) RELATIONSHIP WITH UNDP.

UNIDO SHOULD HOLD CONSULTATIONS WITH UNDP WITH THE SPECIFIC OBJECTIVE OF ENSURING THAT IT RECEIVES A SUBSTANTIAL SHARE OF UNDP PROJECTS IN THE FIELD OF INDUSTRY SO THAT THE EXPERTISE AND EXPERIENCE OF UNIDO MAY BE FULLY UTILIZED FOR THE BENEFIT OF THE DEVELOPING COUNTRIES.

(10) RELATIONSHIPS WITH THE UN ORGANIZATIONS.

UNIDO SHOULD HOLD CONSULTATIONS WITH THE UNITED NATIONS, ITS ORGANIZATIONS, AND THE SPECIALIZED AGENCIES TO DECIDE ON SPHERES OF COMPETENCE IN THE EXECUTION OF INDUSTRIAL PROJECTS IN ORDER THAT UNIDO SHOULD BE ABLE TO EFFECTIVELY FULFILL ITS CENTRAL COORDINATING ROLD IN THE FIELD OF INDUSTRIAL DEVELOPMENT DSPECIALLY UNCLASSIFIED

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WITH REGARD TO THE IMPLEMENTATION OF THE PROGRAM OF ACTION FOR THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER. FOR THIS PRUPOSE AN ADVISORY COMMITTEE SHOULD BE ESTABLISHED COMPOSED OF REPRESENTATIVES OF THE RELEVANT ORGANIZATIONS AND SECRETARIAT OF THE UN SYSTEM AND CHAIRED BY UNIDO. AMONG ITS

OTHER ADVISORY FUNCTIONS AS APPROPRIATE, THE ADVISORY COMMITTEE SHOULD ADOPT CERTAIN GUIDELINES AND CRITERIA TO ASSIST THE UNDP GOVERNING COUNCIL TO DETERMINE THE ALLOCATION OF EXECUTIVE RESPONSIBILITIES WITHIN THE UN SYSTEM ON REQUESTS FOR GOVERNMENT ON UNDP FINANCED DEVELOPMENT PROJECTS.

IN ORDER TO UTILIZE EFFECTIVELY THE TECHNICAL RESOURCES AVAILABLE TO IT, UNIDO SHOULD HAVE THE PRIMARY RESPONSIBILITY AS EXECUTING AGENCY IN THE FIELD OF INDUSTRIAL DEVELOPMENT. END TEXT. STIBRAVY

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## Message Attributes

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